AMENDED IN ASSEMBLY SEPTEMBER 6, 2011
AMENDED IN ASSEMBLY SEPTEMBER 1, 2011
AMENDED IN ASSEMBLY AUGUST 23, 2011
AMENDED IN ASSEMBLY AUGUST 17, 2011
AMENDED IN ASSEMBLY JULY 14, 2011

SENATE BILL

No. 226

Introduced by Senators Simitian and Vargas (Coauthor: Senator Rubio)

(Coauthor: Assembly Member Solorio)

February 9, 2011

An act to amend Section 65919.10 of the Government Code, and to amend Sections 21083.9 and 21084 of, to add Sections 21080.35, 21094.5, and 21094.5.5 to, and to add and repeal Sections 21084.2 and Section 21155.4 of, the Public Resources Code, relating to environmental quality, and declaring the urgency thereof, to take effect immediately. relating to environmental quality.

LEGISLATIVE COUNSEL'S DIGEST

SB 226, as amended, Simitian. Environmental quality.

(1) The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, as defined, or to adopt a negative declaration if it finds that the project will not have that effect.

This bill would exempt from the requirements of CEQA the installation of a solar energy system, including associated equipment,

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on the roof of an existing building *or an existing parking lot* meeting specified conditions. Because a lead agency would be required to determine whether a project would be exempt under this provision, this bill would impose a state-mandated local program.

(2) CEQA requires a lead agency to call a scoping meeting for a project of statewide, regional, or areawide significance, and requires the lead agency to provide notice of at least one of those scoping meetings to specified entities, including a county or city that borders on a county or city within which the project is located, unless otherwise designated annually by agreement between the lead agency and county or city. Existing law requires, prior to action by a legislative body to adopt or substantially amend a general plan, the planning agency to refer the proposed action to a city or county within or abutting the area covered by the proposal.

This bill would authorize this referral of a proposed action to adopt or substantially amend a general plan of a city or county to be conducted concurrently with the scoping meeting. The city or county would be authorized to submit specified comments at the scoping meeting.

(3) CEQA authorizes the Secretary of the Natural Resources Agency to certify and adopt guidelines to include a list of classes of projects that have been determined not to have a significant effect on the environment and are exempted from the requirements of CEQA (categorical exemption).

This bill would provide that a project's greenhouse gas emissions are not, in and of themselves, deemed to cause the exemption to be inapplicable under specified conditions.

This bill would also require the Secretary of the Natural Resources Agency, on or before March 1, 2012, to adopt a categorical exemption for solar photovoltaic projects located on disturbed agricultural lands meeting specified conditions. Because a lead agency would be required to determine whether the categorical exemption would apply to a project, this bill would impose a state-mandated local program. The bill would repeal this requirement on January 1, 2015.

This bill would require the Office of Planning and Research, on or before July 1, 2012, to prepare, develop, and transmit to the Natural Resources Agency, and the Secretary of the Natural Resources Agency, on or before January 1, 2013, to certify and adopt guidelines for statewide standards for infill projects that would promote specified goals and priorities.

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(4) CEQA authorizes the use of a sustainable communities environmental assessment or modified EIR for the purposes of CEQA for a transit priority project meeting specified requirements.

This bill would authorize, until the adoption by a metropolitan planning organization of a sustainable communities strategy, the use of a sustainable communities environmental assessment or modified EIR for a transit proximity project meeting specified conditions. This bill would repeal this authorization on January 1, 2015.

(5) CEQA limits its application, in the case of the approval of a subdivision map or a project that is consistent with the zoning or community plan for which an EIR was certified, to effects upon the environment that are peculiar to the parcel on which the project is located and were not addressed as significant effects in the EIR or if new information shows the effects upon the environment will be more significant than described in the prior EIR.

This bill would similarly limit the application of CEQA in the case of the approval of an infill project, as defined, that satisfies all applicable statewide standards established in the guidelines under (3) above if an EIR was certified for a planning level decision, as defined. Because this bill would require a lead agency to determine whether a project qualifies under this provision, this bill would impose a state-mandated local program.

(6) Existing law authorizes a county and a city to agree upon a procedure for referral to, and comment by, the city or county concerning the other entity's proposals to adopt or amend all or part of a general or specific plan or zoning ordinance, as specified.

This bill would make a technical, nonsubstantive change to this authorization.

(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃-majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) In 2008, the Legislature passed and the Governor signed Senate Bill 375, which was chaptered as Chapter 726 of the Statutes of 2008, requiring metropolitan planning organizations to adopt a sustainable community strategy that will comprehensively integrate land use planning, transportation investments, and climate policy. Part of Chapter 726 of the Statutes of 2008 includes incentives under the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) to encourage development patterns that would help implement the sustainable communities strategy.
- (b) Metropolitan planning organizations will begin adopting these strategies in 2011, but adoption will not be complete until 2013.
- (c) One of the incentives created under Chapter 726 of the Statutes of 2008 is the sustainable communities environmental assessment that provides a more expeditious review under the California Environmental Quality Act for residential and mixed-use residential projects that have a proximity to transit.
- (d) Because of the severe recession that continues to impact California and because of the need to promote jobs in the construction industry, it is important to make the sustainable communities assessment available as early as possible in order to promote the construction of projects that will foster the use of transit.
- SEC. 2. Section 65919.10 of the Government Code is amended to read:
- 65919.10. If the proposed action is a change in a zoning ordinance, the county or city need not refer the zoning proposal to an affected city or county, as the case may be, if the zoning proposal is consistent with the general plan and the general plan proposal was referred and acted upon pursuant to this chapter.
- SEC. 3. Section 21080.35 is added to the Public Resources 35 Code, to read:
 - 21080.35. (a) Except as provided in subdivision (d), this division does not apply to the installation of a solar energy system on the roof of an existing building or at an existing parking lot.

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(b) For the purposes of this section, the following terms mean the following:

- (1) "Existing parking lot" means an area designated and used for parking of vehicles for at least the previous two years primarily for customers or employees of a commercial or industrial use, or students-of or employees of a public institutional use, passengers or employees of a transit or transportation passenger facility, or residents of a multifamily residential use consisting of five or more living units, consistent with requirements of the city or county, or applicable public agency, for those uses.
- (2) "Solar energy system" includes all associated equipment. Associated equipment consists of parts and materials that enable the generation and use of solar electricity or solar-heated water, including any monitoring and control, safety, conversion, and emergency responder equipment, as well as any equipment necessary to connect the energy generated to the electrical grid. "Associated equipment" does not include a substation.
- (c) (1) Associated equipment shall be located on the same parcel of the building, except that associated equipment necessary to connect the energy generated to the electrical grid may be located immediately adjacent to the parcel of the building *or immediately* adjacent to the parcel of the building and separated only by an improved right-of-way.
- (2) Associated equipment shall not occupy more than 500 square feet of ground surface and the site of the associated equipment shall not contain plants protected by the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).
- (d) This section does not apply if the associated equipment would otherwise require one of the following:
- (1) An individual federal permit pursuant to Section 401 or 404 of the federal Clean Water Act (33 U.S.C. Sec. 1341 or 1344) or waste discharge requirements pursuant to the Porter-Cologne Water Quality Control Act (Division 7 (commencing with Section 13000) of the Water Code).
- (2) An individual take permit for species protected under the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code).

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(3) A streambed alteration permit pursuant to Chapter 6 (commencing with Section 1600) of Division 2 of the Fish and Game Code.

- (e) This section does not apply if the installation of a solar energy system at an existing parking lot involves the removal of a tree required by the city or county to be planted, unless the tree dies or there is no requirement to replace the tree. energy system at an existing parking lot involves either of the following:
- (1) The removal of a tree required to be planted, maintained, or protected pursuant to local, state, or federal requirements, unless the tree dies and there is no requirement to replace the tree.
 - (2) The removal of a native tree over 25 years old.
- SEC. 4. Section 21083.9 of the Public Resources Code is amended to read:
- 21083.9. (a) Notwithstanding Section 21080.4, 21104, or 21153, a lead agency shall call at least one scoping meeting for either of the following:
- (1) A proposed project that may affect highways or other facilities under the jurisdiction of the Department of Transportation if the meeting is requested by the department. The lead agency shall call the scoping meeting as soon as possible, but not later than 30 days after receiving the request from the Department of Transportation.
 - (2) A project of statewide, regional, or areawide significance.
- (b) The lead agency shall provide notice of at least one scoping meeting held pursuant to paragraph (2) of subdivision (a) to all of the following:
- (1) A county or city that borders on a county or city within which the project is located, unless otherwise designated annually by agreement between the lead agency and the county or city.
 - (2) A responsible agency.
- (3) A public agency that has jurisdiction by law with respect to the project.
- (4) A transportation planning agency or public agency required to be consulted pursuant to Section 21092.4.
- (5) An organization or individual who has filed a written request for the notice.
- 38 (c) For an entity, organization, or individual that is required to 39 be provided notice of a lead agency public meeting, the requirement 40 for notice of a scoping meeting pursuant to subdivision (b) may

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be met by including the notice of a scoping meeting in the public meeting notice.

- (d) A scoping meeting that is held in the city or county within which the project is located pursuant to the federal National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.) and the regulations adopted pursuant to that act shall be deemed to satisfy the requirement that a scoping meeting be held for a project subject to paragraph (2) of subdivision (a) if the lead agency meets the notice requirements of subdivision (b) or subdivision (c).
- (e) The referral of a proposed action to adopt or substantially amend a general plan to a city or county pursuant to paragraph (1) of subdivision (a) of Section 65352 of the Government Code may be conducted concurrently with the scoping meeting required pursuant to this section, and the city or county may submit its comments as provided pursuant to subdivision (b) of that section at the scoping meeting.
- SEC. 5. Section 21084 of the Public Resources Code is amended to read:
- 21084. (a) The guidelines prepared and adopted pursuant to Section 21083 shall include a list of classes of projects that have been determined not to have a significant effect on the environment and that shall be exempt from this division. In adopting the guidelines, the Secretary of the Natural Resources Agency shall make a finding that the listed classes of projects referred to in this section do not have a significant effect on the environment.
- (b) A project's greenhouse gas emissions shall not, in and of themselves, be deemed to cause an exemption adopted pursuant to subdivision (a) to be inapplicable if the project complies with all applicable regulations or requirements adopted to implement statewide, regional, or local plans consistent with Section 15183.5 of Title 14 of the California Code of Regulations.
- (c) A project that may result in damage to scenic resources, including, but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway designated as an official state scenic highway, pursuant to Article 2.5 (commencing with Section 260) of Chapter 2 of Division 1 of the Streets and Highways Code, shall not be exempted from this division pursuant to subdivision (a). This subdivision does not apply to improvements as mitigation for a project for which a

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negative declaration has been approved or an environmental impact
 report has been certified.

- (d) A project located on a site that is included on any list compiled pursuant to Section 65962.5 of the Government Code shall not be exempted from this division pursuant to subdivision (a).
- (e) The changes made to this section by Chapter 1212 of the Statutes of 1991 apply only to projects for which applications have not been deemed complete on or before January 1, 1992, pursuant to Section 65943 of the Government Code.
- (f) A project that may cause a substantial adverse change in the significance of an historical resource, as specified in Section 21084.1, shall not be exempted from this division pursuant to subdivision (a).
- SEC. 6. Section 21084.2 is added to the Public Resources Code, to read:
- 21084.2. (a) On or before March 1, 2012, the Secretary of the Natural Resources Agency shall amend the guidelines adopted pursuant to Section 21084 to add solar photovoltaic projects that are located on disturbed agricultural lands to the classes of projects that have been determined not to have a significant effect on the environment and that are therefore exempt from this division. The amendment shall be limited to projects that meet all the following conditions:
- (1) The project has a maximum electrical generating capacity of not more than 10 megawatts.
- (2) The project is located exclusively on lands previously used for agricultural production for at least five years that have been mechanically disturbed or converted from native vegetation through plowing, bulldozing, or other similar means.
- (3) The project is not located on prime farmland, farmland of statewide importance, unique farmland, and farmland of local importance, collectively designated as important farmlands by the Department of Conservation. For purposes of this section, land designated in these important farmland categories shall not be reclassified due to irrigation status.
- 37 (4) (A) The project is located on a parcel of land that satisfies 38 both of the following:
 - (i) Does not contain wetlands.
- 40 (ii) Does not have any value as a wildlife habitat.

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(B) For the purposes of the paragraph, the following terms mean the following:

- (i) "Wetlands" has the same meaning as set forth in Section 328.3 of Title 33 of the Code of Federal Regulations.
- (ii) "Wildlife habitat" means the ecological communities upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.
 - (5) The project does not do either of the following:

- (A) Harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), and the California Endangered Species Act (Chapter 1.5 (commencing with Section 2505) of Division 3 of the Fish and Game Code).
- (B) Cause the destruction or removal of any species protected by a local ordinance in effect at the time application for the project was deemed complete.
- (5) The project is located on a parcel of land that is not larger than 100 acres.
- (b) (1) For the purposes of this section, a "photovoltaic project" includes all associated equipment. Associated equipment consists of parts and materials that enable the generation and use of solar electricity or solar-heated water, including any monitoring and control, safety, conversion, and emergency responder equipment, as well as any equipment necessary to connect the energy generated to the electrical grid. "Associated equipment" does not include a substation.
- (2) (A) Associated equipment shall be located on the same parcel of the building, except that associated equipment necessary to connect the energy generated to the electrical grid may be located immediately adjacent to the parcel of the building.
- (B) Associated equipment shall not occupy more than 500 square feet of ground surface.
- (e) In adopting an amendment pursuant to this section, the Secretary of the Natural Resources Agency shall take into consideration the potential for impacts on agriculture and natural resources, and may impose additional conditions on the exemption in order to avoid any significant effects on the environment, including any effects associated with the decommissioning of the project. The Secretary of the Natural Resources Agency shall

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impose conditions to prevent the repeated application of the class of exemption provided pursuant to this section to facilities in the same vicinity and under forms of common ownership or control.

(d) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date. SEC. 7.

SEC. 6. Section 21094.5 is added to the Public Resources Code, to read:

21094.5. (a) (1) If an environmental impact report was certified for a planning level decision of a city or county, the application of this division to the approval of an infill project shall be limited to the effects on the environment that (A) are specific to the project or to the project site and were not addressed as significant effects in the prior environmental impact report or (B) substantial new information shows the effects will be more significant than described in the prior environmental impact report. A lead agency's determination pursuant to this section shall be supported by substantial evidence.

- (2) An effect of a project upon the environment shall not be considered a specific effect of the project or a significant effect that was not considered significant in a prior environmental impact report, or an effect that is more significant than was described in the prior environmental impact report if uniformly applicable development policies or standards adopted by the city, county, or the lead agency, would apply to the project and the lead agency makes a finding, based upon substantial evidence, that the development policies or standards will substantially mitigate that effect.
- (b) If an infill project would result in significant effects that are specific to the project or the project site, or if the significant effects of the infill project were not addressed in the prior environmental impact report, or are more significant than the effects addressed in the prior environmental impact report, and if a mitigated negative declaration or a sustainable communities environmental assessment could not be otherwise adopted, an environmental impact report prepared for the project analyzing those effects shall be limited as follows:
 - (1) Alternative locations to the project need not be considered.

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1 (2) Growth inducing impacts of the project need not be considered.

- (c) This section applies to an infill project that satisfies both of the following:
 - (1) The project satisfies any of the following:
- (A) Is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, has accepted a metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.
- (B) Consists of a small walkable community project located in an area designated by a city for that purpose.
- (C) Is located within the boundaries of a metropolitan planning organization that has not yet adopted a sustainable communities strategy and the project has a residential density of at least 20 units per acre or a floor area ratio-for residential use of at least 0.75.
- (2) Satisfies all applicable statewide performance standards contained in the guidelines adopted pursuant to Section 21094.5.5.
- (d) This section applies after the Secretary of the Natural Resources Agency adopts and certifies the guidelines establishing statewide standards pursuant to Section 21094.5.5.
- (e) For the purposes of this section, the following terms mean the following:
 - (1) "Infill project" means a project that is any of the following:
 - (A) (i) Residential, or retail or commercial uses.
- 31 (ii) Retail or commercial use shall have a floor area ratio for those uses of at least 0.5.
 - (B) A transit station.
- 34 (C) A school.

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- (D) A public office building.
- 36 (2) "Planning level decision" means the enactment or 37 amendment of a general plan, community plan, specific plan, or 38 zoning code.
- 39 (3) "Prior environmental impact report" means the 40 environmental impact report certified for a planning level decision,

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as supplemented by any subsequent or supplemental environmental
 impact reports, negative declarations, or addenda to those
 documents.

- (4) "Small walkable community project" means a project that is in an incorporated city, which is not within the boundary of a metropolitan planning organization and that satisfies—both of the following requirements:
- (A) Has a project area of approximately one-quarter mile diameter of contiguous land completely within the existing incorporated boundaries of the city.
- (B) Has a project area that includes a residential area adjacent to a retail downtown area.
- (C) The project has a density of at least eight dwelling units per acre or a floor area ratio-of *for* retail or commercial use of not less than 0.50.

SEC. 8.

- *SEC.* 7. Section 21094.5.5 is added to the Public Resources Code, to read:
- 21094.5.5. (a) On or before July 1, 2012, the Office of Planning and Research shall prepare, develop, and transmit to the Natural Resources Agency for certification and adoption guidelines for the implementation of Section—21155.6 21094.5 and the Secretary of the Natural Resources Agency, on or before January 1, 2013, shall certify and adopt the guidelines.
- (b) The guidelines prepared pursuant to this section shall include statewide standards for projects on infill sites that may be amended from time to time and promote all of the following:
- (1) The implementation of the land use and transportation policies in the Sustainable Communities and Climate Protection Act of 2008 (Chapter 728 of the Statutes of 2008).
- (2) The state planning priorities specified in Section 65041.1 of the Government Code and in the most recently adopted Environmental Goals and Policy Report issued by the Office of Planning and Research supporting infill development.
- (3) The reduction of greenhouse gas emissions under the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).
- 38 (4) The reduction in per capita water use pursuant to Section 39 10608.16 of the Water Code.

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(5) The creation of a transit village development district consistent with Section 65460.1 of the Government Code.

- (6) Substantial energy efficiency improvements, including improvements to projects related to transportation energy.
- (7) Protection of public health, including the health of vulnerable populations from air or water pollution, or soil contamination.
- (c) The standards for projects on infill sites shall be updated as frequently as necessary to ensure the protection of the environment. SEC. 9.
- *SEC.* 8. Section 21155.4 is added to the Public Resources Code, to read:
- 21155.4. (a) A transit proximity project that (1) includes a major transit stop as part of the project, or (2) that is located within one-quarter one-half mile of an existing major transit stop or an existing high-quality transit corridor may be reviewed under the procedures set forth in subdivision (b) or (c) of Section 21155.2 if the project has incorporated all mitigation measures or best practices recommended to be included with the project for protection of public health by the local air district, air pollution control district, or air quality management district. Mitigation measures or best practices adopted by a local air district, air pollution control district, or air quality management district shall include, but are not limited to, the following:
- (1) The best available control technology for high efficiency particle air filtration.
- (2) Optimization of air intake locations to minimize indoor air pollution.
- (3) Consideration of tree landscaping and the setback of residential buildings away from pollution sources.
- (b) For purposes of this section, a transit proximity project is one that satisfies paragraphs (1) and (2) of subdivision (b) of Section 21155 and is located within an urbanized area.
- (c) For the purpose of this section, the following definitions apply:
- (1) "Major transit stop" has the same meaning as set forth in Section 21064.3.
- (2) "High-quality transit corridor" has the same meaning as set forth in subdivision (b) of Section 21155.
- 39 (3) This section shall apply only to projects located within a 40 metropolitan planning organization and shall cease to apply to

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1 projects upon the adoption by that metropolitan planning 2 organization of a sustainable communities strategy pursuant to 3 Section 65080 of the Government Code.

- (d) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date. SEC. 10.
- SEC. 9. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.
- SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

18 In order to protect the environment and public health at the 19 earliest possible time, it is necessary for this act to take effect 20 immediately.